

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11
AID-05 TRSE-00 OMB-01 /072 W
-----067360 150640Z /11
R 150557Z JUN 78
FM AMEMBASSY VALLETTA
TO SECSTATE WASHDC 8251
INFO AMEMBASSY LONDON

C O N F I D E N T I A L SECTION 01 OF 02 VALLETTA 01759

LONDON FOR ASSISTANT SECRETARY VEST

E.O. 11652: GDS
TAGS: PEPR, EAID, MT, US
SUBJECT: CONVERSATION WITH MINTOFF ON MARSAXLOKK
LOAN REQUEST

REF: STATE 150184

1. I SAW MINTOFF AT NOON TODAY TO CONVEY OUR DECISION ON THE MARSAXLOKK LOAN REQUEST. I ASKED FOR IMMEDIATE APPOINTMENT ON RECEIPT OF THE DEPARTMENT'S MESSAGE BECAUSE OF MY DEPARTURE TOMORROW FOR LONDON AND BECAUSE OF THE POSSIBILITY THAT MINTOFF WOULD GO PUBLIC WITH THE FELICE MISSION THIS EVENING. (HE DID NOT DO SO LAST NIGHT, CONTRARY TO WHAT I WAS TOLD, BECAUSE HE DID NOT GET TO FOREIGN POLICY IN A MAJOR PARLIAMENTARY SPEECH WHICH WE ASSUME WILL BE CONTINUED AND CONCLUDED THIS EVENING.)

2. MINTOFF HAD FOREIGN SECRETARY ABELA AND PRIVATE SECRETARY DEGUARA WITH HIM. HE WAS DISAPPOINTED WITH WHAT I TOLD HIM BUT FRIENDLY THROUGHOUT EXCEPT FOR OCCASIONAL COMMENTS TO THE GALLERY (ABELA) WHEN HE SEEMED MODERATELY IRRITATED. AT ONE POINT HE EXPRESSED DOUBT THAT THE
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PRESIDENT COULD ACTUALLY HAVE CONSIDERED THIS REQUEST, GIVEN THE "SHORT TIME WE HAD HAD IT." I REMINDED HIM THAT FELICE HAD EXPRESSED THE HOPE THAT HE COULD HAVE A DECISION EVEN BEFORE HE LEFT WASHINGTON AND THAT ALMOST TWO MONTHS WAS NOT A SHORT TIME.

3. I USED PREPARED TALKING POINTS TO CONVEY OUR DECISION,

USING GUIDANCE IN REFTEL. I WILL POUCH THEM SO THAT THEY ARE ON THE RECORD. I CONCLUDED CONVEYING OUR NEGATIVE DECISION BY SAYING THAT I EXPECTED TO SEE SENIOR OFFICIALS OF THE DEPARTMENT IN LONDON THIS WEEKEND AND WOULD WELCOME ANYTHING MINTOFF MIGHT WANT TO TELL ME IN LIGHT OF OUR DECISION.

4. MINTOFF BEGAN BY SAYING THAT WHAT I HAD TOLD HIM "WOULD COMPLICATE A SCENE THAT SEEMED TO BE CHANGING ALL THE TIME," IMPLYING BUT NOT SAYING SO THAT THE CHANGE WAS NOT NECESSARILY TO US ADVANTAGE BUT ALSO, I THOUGHT, OCCASIONALLY REFLECTING SOME FEELING ON HIS PART THAT HIS ROOM FOR MANEUVER ON FOREIGN POLICY WAS GETTING RESTRICTED.

5. I INTERVENED TO SAY THAT THERE WAS NO "CHANGE IN THE SCENE" AS FAR AS WE WERE CONCERNED. OUR POLICY HAD BEEN CONSISTENT AND WE STOOD BY WHAT THE PRESIDENT SAID ABOUT OUR UNDERSTANDING FOR WHAT MINTOFF WAS TRYING TO DO AND ENCOURAGEMENT OF THE EUROPEAN DIALOGUE, A POINT I EMPHASIZED SEVERAL TIMES DURING THE CONVERSATION.

6. HE RESPONDED THAT THAT MIGHT BE SO BUT THAT THE SCENE WAS CHANGING WITH RESPECT TO THE SUPPORT HE NEEDED AND WAS GETTING. HE WAS HAPPY THAT THE US NO LONGER OPPOSED HIS EFFORTS WITH THE EUROPEANS; HE WAS HAPPY TO HAVE OUR GREEN LIGHT. BUT THERE WAS NO "TOKEN" OF OUR SUPPORT. I DEMURRED AT THIS, SAYING THAT WHAT WE HAD DONE SO FAR AND CONFIDENTIAL

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WERE DOING IN MALTA AMOUNTED TO A LOT MORE THAN TOKEN UNDERSTANDING. HE ANSWERED THAT HE HAD TO BE FRANK. HE WOULD HAVE THOUGHT THE GREEN LIGHT WOULD HAVE BEEN BRIGHTER. US "MATERIEL" (CHANGED FROM "TOKEN") SUPPORT WAS SO DIMINISHED BY THE DECISION I CONVEYED THAT IT WOULD MAKE MUCH SMALLER WHATEVER OTHER CONTRIBUTION THE US MIGHT MAKE IN TERMS OF UNDERSTANDING.

7. THE PROBLEM HE SAID WAS THAT WHILE HE MIGHT UNDERSTAND OUR POSITION THERE WERE OTHERS WHO WOULD NOT DO SO. THERE WERE OTHERS (READ HIS PARTY'S LEFT WINGERS) WHO WERE NOT CONVINCED THAT WE DID NOT LONGER SEEK A BASE IN MALTA. THESE ELEMENTS WOULD NOW RAISE NEW QUESTIONS IN LIGHT OF THE DECISION I WAS CONVEYING. HE COULD NO LONGER KEEP THE FELICE MISSION SECRET. HE HAD NEVER WANTED TO MAKE IT PUBLIC AND IT WAS NOT HE WHO HAD INFORMED OUR ALLIES (INDIRECTLY CHARGING ME WITH HAVING DONE SO AND THUS CONTRIBUTING TO THE PUBLIC LEAKS). IT WAS ONLY FAIR TO FELICE THAT THE MATTER NOW BE CLARIFIED PUBLICLY.

8. HOW COULD HE SAY ANYTHING POSITIVE ABOUT THE EXERCISE IN LIGHT OF OUR DECISION? WHAT WAS THERE THAT HE COULD

POINT TO? AS FOR INVESTMENT HE WOULD BE ASKED
WHAT EVIDENCE THERE WAS OF THAT. I INTERVENED TO SAY THAT
I THOUGHT THERE SHOULD BE NO PROBLEM IN PUTTING THE MATTER
IN A POSITIVE FRAMEWORK. WE HAD NOT SUGGESTED RELEASING
THE LETTERS; INDEED DOING SO WAS CONTRARY TO NORMAL
PRACTICE. BUT IF HE FELT HE MUST DO SO THERE WAS MUCH THAT
WAS POSITIVE ABOUT THE PRESIDENT'S LETTER. AND WITH
RESPECT TO EXCESS PROPERTY, HE HAD OUR ASSURANCE THAT WE
WOULD DO EVERYTHING WE COULD TO FACILITATE PURCHASE.

9. MINTOFF SAID THAT HE WISHED WE HAD NOT COMMUNICATED OUR
DECISION TO HIM AT THIS TIME. HE NEEDED ALL THE ELBOW ROOM

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AID-05 TRSE-00 OMB-01 /072 W
-----071086 151111Z /12/21

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C O N F I D E N T I A L SECTION 02 OF 02 VALLETTA 01759

C O R R E C T E D C O P Y (TEXT)

HE COULD GET TO DEAL WITH WHAT HE AGAIN DESCRIBED AS A
RAPIDLY CHANGING SCENE. HE WISHED I HAD NOT BEEN SO
DEFINITE IN WHAT I HAD TO TELL HIM. I SAID WE UNDERSTOOD
HIS NEED FOR ELBOW ROOM AND WE WANTED HIM TO KEEP IT. I
SAID I THOUGHT HE COULD.

10. THAT PRODUCED THE PRIME MINISTER'S ONLY REFERENCE TO
THE RECENT RASH OF RUSSIAN VISITORS TO MALTA. HE SAID
SOMETHING ABOUT NOT TWISTING OUR TAIL AND HAVING NO IN-
TENTION OF DOING SO. MALTA WAS TOO SMALL A COUNTRY
TO TRY TO DO THAT. HOWEVER WE SHOULD KNOW THAT HE HAD HAD
A GOOD MANY APPROACHES RECENTLY FROM QUARTERS THAT WE
SOMETIMES REFERRED TO AS OUR ENEMIES. THESE WERE IN TRADE
AND OTHER FIELDS. AS MINTOFF PUT IT, HE WAS HOLDING OUT
IN THE FACE OF THESE APPROACHES AND NOT AGREEING TO ANY-
THING YET, ATTACHING CONDITIONS TO WHAT MALTA WAS PREPARED

TO DO IN RESPONSE TO THESE RUSSIAN APPROACHES THAT WERE
"MUCH MORE ONEROUS THAN THOSE WE APPLY TO THE WEST." I
SAID I WELCOMED THAT. HA, SAID HE. THE PROBLEM WAS "THEY
WILL MEET THESE CONDITIONS." I INDICATED I THOUGHT HE
COULD DEAL WITH THAT, EMPHASIZING THAT NO ONE KNEW BETTER
THAN HE THE IMPACT ON HIS OWN AND MALTA'S INTERESTS IN
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DOING SO.

11. SEVERAL TIMES DURING OUR TALK HE SUGGESTED HE WAS NOT
SURE HIMSELF HOW TO INTERPRET WHAT I HAD TOLD HIM. MAYBE
THERE WERE OTHER WAYS TO STRENGTHEN MALTA'S RELATIONSHIP
WITH THE US. MAYBE OUR DECISION WAS NOT NECESSARILY FINAL.
MAYBE THERE WOULD BE A SECOND CHANCE OR MAYBE EVEN ANOTHER
DIRECT APPEAL TO THE PRESIDENT. I DECIDED TO LET THIS
STAND BY SIMPLY REITERATING ONE OF MY TALKING POINTS TO
THE EFFECT THAT WE HAD CONSIDERED HIS REQUEST FOR A LOAN
AND HAD CONCLUDED THAT WE COULD NOT MAKE IT AVAILABLE. HE
COULD INTERPRET THAT AS HE WISHED. AS FAR AS "OTHER WAYS
TO STRENGTHEN THE RELATIONSHIP" WERE CONCERNED, I COULD
ASSURE HIM THAT THAT WAS A FULL TIME PREOCCUPATION OF MY
EMBASSY AND THAT HE WOULD HAVE EVERY COOPERATION FROM US
IN DOING SO.

12. IN THIS CONTEXT I EMPHASIZED AGAIN THAT WE WERE PRE-
PARED TO BE FULLY COOPERATIVE IN FACILITATING CASH PURCHASE
OF WHATEVER EXCESS PROPERTY COULD BE IDENTIFIED AND MIGHT
BE USEFUL FOR MARSAXLOKK. WE HAD ALREADY, IN ACTIVE
COOPERATION WITH HIS EMBASSY IN WASHINGTON, PUT A 90-DAY
HOLD ON CERTAIN BULLDOZERS AND CEMENT MIXERS - IDENTIFIED
AS COMING AVAILABLE. WE WERE PREPARED TO PROCEED WITH THE
PROCEDURAL DOCUMENTATION NEEDED TO OBTAIN THESE IF MINTOFF
WANTED US TO PROCEED. HE SAID HE DID, WHATEVER HE MIGHT
DO ABOUT OUR ACTION ON THE LOAN REQUEST. MOREOVER,
WE WOULD SHORTLY BE GETTING FROM SECRETARY ABELA A LIST OF
SURPLUS ARMY EQUIPMENT THAT THEY HAD IDENTIFIED AND IN
WHICH THEY WERE INTERESTED AND WE COULD EXPECT A LIST OF
SURPLUS NAVY EQUIPMENT AS WELL IN DUE TIME. (I AM TRYING
TO LEARN MORE FROM ABELA WHAT THE PM HAS IN MIND IN
REFERRING TO SUCH LISTS.)
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13. IN THIS CONTEXT, MINTOFF OBSERVED THAT HE WAS NOT
GETTING MUCH HELP FROM OUR EUROPEAN ALLIES IN IDENTIFYING

THE KINDS OF EQUIPMENT HE FELT HE NEEDED FOR FUTURE SECURITY PURPOSES, MINTOFF MAKING AN ASIDE IN DOING SO THAT MALTA'S OWN INABILITY TO IDENTIFY AND DECIDE WHAT KIND OF SECURITY EQUIPMENT IT NEEDED WAS PROOF OF HOW "UNMARTIAL" MALTA WAS. I TOOK THE OPPORTUNITY TO SAY IN THIS CONNECTION THAT I WAS AWARE OF A CONFIDENTIAL VISIT HERE BEGINNING TOMORROW OF A FOUR-MEMBER UK FORCES TEAM WHICH THE UK HAD OFFERED TO SEND TO IDENTIFY WITH THE MALTESE THE KINDS OF EQUIPMENT AND LEVEL OF FORCES MALTA WOULD NEED POST-1979 FOR COASTAL RECONNAISSANCE AND DEFENSE. I SAID WE WELCOMED THIS VISIT.

14. MINTOFF ASKED THAT I CONVEY ALL THIS TO DEPARTMENT OFFICIALS IN LONDON WHOM I WOULD MEET THIS WEEKEND, ESPECIALLY MR. VEST WHOM HE UNDERSTOOD KNEW MALTA'S PROBLEMS WELL. LAINGEN

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978VALLET01759
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780249-1002
Format: TEL
From: VALLETTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780653/aaaabuae.tel
Line Count: 240
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b73ce287-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 STATE 150184
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2331622
Secure: OPEN
Status: NATIVE
Subject: CONVERSATION WITH MINTOFF ON MARSAXLOKK LOAN REQUEST
TAGS: PEPR, EAID, MT, US
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b73ce287-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014